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"Revised Audit Report" Rec'd 3/19/09

**CALIFORNIA VICTIM SERVICES TRAINING INSTITUTE**

**STATEMENT OF GRANT REVENUE  
AND EXPENSES**

**FISCAL YEAR 2007-2008**



**CALIFORNIA EMERGENCY MANAGEMENT AGENCY**  
**LOCAL ASSISTANCE MONITORING BRANCH**  
3650 SCHRIEVER AVENUE  
MATHER, CALIFORNIA 95655  
PHONE: (916) 845-8120 FAX: (916) 845-8380



March 10, 2009

Mr. Rodney R Gillespie  
Treasurer  
California Crime Victims Assistance Association  
1809 S Street, Suite 101-305  
Sacramento, CA 95811

SUBJECT: AUDIT REPORT FOR THE PERIOD ENDED JUNE 30, 2008

Dear Mr. Gillespie:

The California Emergency Management Agency (CalEMA) has reviewed the above subject audit report prepared by Jensen Smith CPA.

Per the 2006 Governor's Office of Emergency Services (OES) Recipient Handbook Section 8110, "The audit must be performed in accordance with the financial audit requirements of the *Government Auditing Standards* published by the United States General Accounting Office." Section 8113 of the Handbook outlines the criteria that must be used by the auditor, including but not limited to a review of internal accounting and administrative control systems. The Independent Auditor's Report for this period is not sufficient because it does not indicate that the audit was performed in accordance with *Government Auditing Standards*. The audit package also does not contain a separate *Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards*.

Since the above audit report does not meet requirements, corrective action is required. You must either:

- 1) Contact the auditor who completed the audit and request a more complete review; or
- 2) Schedule another audit that encompasses all required areas.

Please respond by March 17, 2009, to identify which option you have selected and the timeframe for completion. The corrected audit report should be prepared in accordance with Recipient Handbook Section 8000 et seq., and should be submitted to CalEMA no later than April 30, 2008.

Sincerely,

A handwritten signature in cursive script that reads "Michael Baldwin".  
MICHAEL BALDWIN  
BRANCH CHIEF



# California Crime Victims Assistance Association

1809 Street, Suite 101-305, Sacramento, CA 95811



March 19, 2009

Michael Baldwin, Branch Chief  
Local Assistance Monitoring Branch  
California Emergency Management Agency  
3650 Schriever Avenue  
Mather, CA 95655

Dear Mr. Baldwin and Monitoring Branch Representatives,

Per your request in your letter dated, March 10, 2009, enclosed is the "revised" audit report prepared by Jensen Smith, Certified Public Accountants, which states that it was performed in accordance with the financial audit requirements of the Government Auditing Standards. The revised audit report was conducted on the following grant:

<u>Grant Year</u>	<u>Agreement Number</u>	<u>Award Amount</u>	<u>Amount Billed</u>	<u>Balance of Award</u>
06-07	VM07081741	\$187,500	\$179,100	\$8,4000

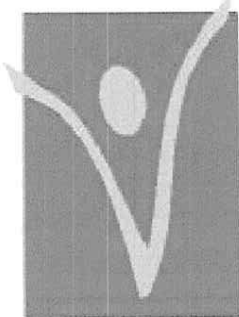
I'm also including a letter, dated February 20, 2009, from Jensen Smith, CPA, which was provided to our Board of Directors. This letter was not provide to the Monitoring Branch initially, but is now being provided as it addresses the other area of concern regarding a separate report on internal control over financial reporting.

I believe these two documents will now satisfy your inquiry. Please feel free to contact me if you have other questions.

Sincerely,

Rodney R. Gillespie  
Treasurer California Crime Victims Assistance Association

cc: Sally Hencken, Chief of the Victim/Witness Section



# California Crime Victims Assistance Association

1809 Street, Suite 101-305, Sacramento, CA 95811

January 26, 2009

Local Assistance Monitoring Branch  
California Emergency Management Agency  
3650 Schriever Avenue  
Mather, CA 95655

*Replaced  
w/amended  
(GAS)  
AIR 3/20/09  
B*

Dear Monitoring Branch Representatives,

Enclosed is the audit report prepared by Jensen Smith, Certified Public Accountants, which is being submitted to comply with the California Emergency Management Agency, formerly the Governor's Office of Emergency Services (OES), audit requirements for the following grant:

<u>Grant Year</u>	<u>Agreement Number</u>	<u>Award Amount</u>	<u>Amount Billed</u>	<u>Balance of Award</u>
06-07	VM07081741	\$187,500	\$179,100	\$8,4000

Of particular note, please find on page 4 of the audit report that the previous audit findings related to fiscal years 2003-2007 have been "corrected." The Board of Directors of the California Crime Victims Assistance Association also wishes to note that Jensen Smith, CPA did "not identify any deficiencies in internal control that we consider to be material weaknesses..."

Sincerely,

Rodney R. Gillespie  
Treasurer California Crime Victims Assistance Association

cc: Sally Hencken, Chief of the Victim/Witness Section

P.O. Box 160  
661 5th Street, Suite 103  
Lincoln, CA 95648  
Office (916) 434-1662  
Fax (916) 434-1090

## **Communication with Those Charged with Governance under SAS No. 114**

February 20, 2009  
To the Board of Directors of  
California Crime Victims Assistance Association  
1809 S Street, Suite 101-305  
Sacramento, CA 95811

We have audited the statement of grant revenue and expenses of the California Victim Services Training Institute Grant VM07081741 for the fiscal year 2007-2008, and have issued our report thereon dated February 20, 2009. Professional standards require that we provide you with the following information related to our audit.

### Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated June 26, 2008, our responsibility, as described by professional standards, is to express an opinion about whether the financial statement prepared by management with your oversight is fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statement does not relieve you or management of your responsibilities.

### Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter dated June 26, 2008.

### Significant Audit Findings

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no such misstatements identified.

*Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated February 20, 2009.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of California Crime Victims Assistance Association and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in cursive script that reads "Jensen Smith".

Jensen Smith  
Certified Public Accountants  
Lincoln, CA

**CALIFORNIA CRIME VICTIM SERVICES TRAINING INSTITUTE  
GRANT REVENUES AND EXPENSES  
FISCAL YEAR 2007-2008**

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## INDEPENDENT AUDITOR'S OPINION

To the Board of Directors  
California Crime Victims Assistance Association  
Sacramento, CA 95811

We have audited the accompanying statement of grant revenue and expenses of the California Victim Services Training Institute for the year ended June 30, 2008 for the following grant:

<u>Grant Year</u>	<u>Agreement Number</u>	<u>Award Amount</u>	<u>Amount Billed</u>	<u>Balance of Award</u>
07-08	VM07081741	\$187,500	\$179,100	\$8,400

This statement of grant revenue and expenses is the responsibility of the Organization's management. Our responsibility is to express an opinion on the financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accompanying statement of grant revenue and expenses referred to in the first paragraph presents fairly, in all material respects, the grant revenue and expenses for the grant, in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the statement of grant revenue and expenses for the grant referred to in the first paragraph. This statement presents only this grant and is not intended to present fairly the results of operations of California Victim Services Training Institute, or any other entity.



In accordance with *Government Auditing Standards*, we have also issued our report dated February 20, 2009 on our consideration of California Crime Victims Assistance Association's internal control over financial reporting. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and the results of that testing and not to provide an opinion on the internal control over financial reporting. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Summary of Prior Audit Findings shown on page 4 is presented for purposes of additional analysis and is not a required part of the statement of grant revenue and expenses. Such information has been subjected to the auditing procedures applied in the audit of the statement of grant revenue and expenses and, in our opinion, is fairly stated in all material respects.



Jensen Smith  
Certified Public Accountants  
Lincoln, California  
February 20, 2009

**CALIFORNIA VICTIM SERVICES TRAINING INSTITUTE**  
**Statement of Grant Revenue and Expenses**  
**Fiscal Year 2007-2008**  
**Award Number VM07081741**

**REVENUE**

OES Award *	\$ 223,875
Less Match	(44,775)
OES Funding	<u>\$ 179,100</u>

<b>EXPENDITURES</b>	<b>Total Program Costs</b>	<b>Total OCJP Budget</b>	<b>Total Paid 201s</b>	
			<b>as of</b>	<b>Total Due From</b>
			<b>June 30, 2008</b>	<b>OCJP/OES</b>
Personal Services				
Operating Expenses	223,875	234,375	102,751	121,124
Equipment			-	
Less Match	(44,775)	(46,875)	(20,551)	(24,224)
<b>Total Expenditures</b>	<b><u>\$ 179,100</u></b>	<b><u>\$ 187,500</u></b>	<b><u>\$ 82,200</u></b>	<b><u>\$ 96,900</u></b>

\*State of California Office of Homeland Security/Office of Emergency Services (OES)

**CALIFORNIA CRIME VICTIMS ASSISTANCE ASSOCIATION  
SUMMARY OF PRIOR AUDIT FINDINGS  
FISCAL YEAR 2007-2008**

**07-01 --All Years - Financial Management**

**Condition:** There was poor internal control over both financial transactions and financial reporting for all years examined.

**Recommendation:** We recommend that personnel assigned to management functions fully understand good financial management practices, are familiar with grant and OMB A-122 requirements, are familiar with the grant agreements, and the OES handbook requirements.

**Status:** Corrected

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### **Communication Indicating No Material Weaknesses**

To the Board of Directors  
California Crime Victims Assistance Association  
Sacramento, CA 95811


In planning and performing our audit of the statement of grant revenue and expenses of California Victim Services Training Institute grant VM07081741 for the year ended June 30, 2008, in accordance with auditing standards generally accepted in the United States of America, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

This communication is intended solely for the information and use of management, the Board of Directors, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

  
Jensen Smith  
Certified Public Accountants  
Lincoln, California  
February 20, 2009